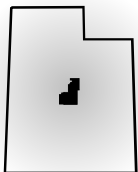


County Trends



Sanpete

September 2003

A Local Economic Perspective

And the job-growing beat goes on. . .

Well, the final quarter of 2002 didn't prove to be a one-quarter, job-growing wonder. First quarter 2003 came through with moderate employment expansion. Keep in mind that Sanpete County has been on the job-losing track for several years. Plus, construction made a strong showing. Unemployment remains high but has eased in recent month. Sales growth proved tepid, but was positive.

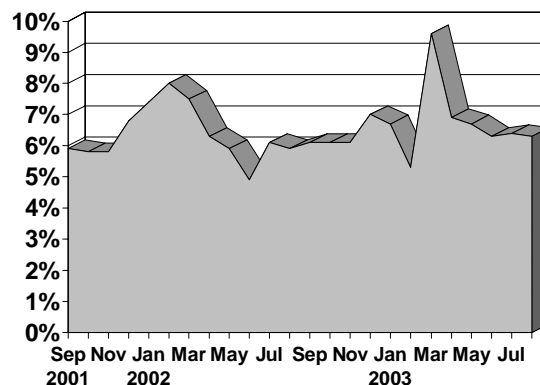
Expansion Shifts Gears

Sanpete County marked its second consecutive quarter of job growth with a year-over average increase of 4.3 percent. In other words, between the first quarters of 2002 and 2003, Sanpete County employers added 280 net new jobs to their payrolls. At the same time, Utah and the U.S. continued to lose jobs in this "jobless recovery."

While the county kept its job-growth motor running during the first quarter, it switched economic gears. In the previous quarter, expansion appeared broad-based. In the current quarter, job growth seems dominated by the public sector. Noneducation-related local government added a large share of new jobs during the first quarter of 2003.

Of course, this doesn't mean that other industries didn't chime in with notable employment contributions. Perhaps the best news is the 6-percent

Seasonally Adjusted Sanpete County Unemployment Rates

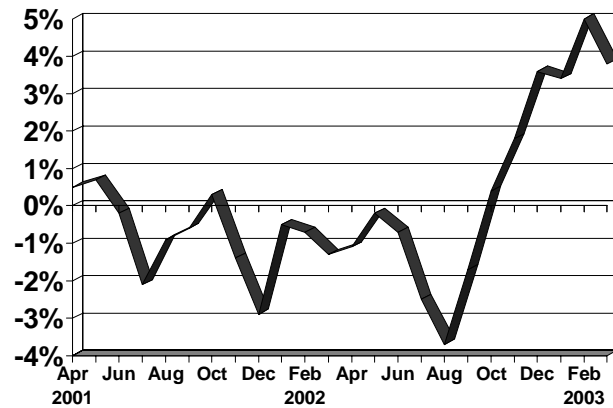


Source: Utah Department of Workforce Services.





Year-Over Change in Sanpete County Employment



Source: Utah Department of Workforce Services.

To the Point

With two consecutive quarters of expansion, Sanpete County's labor market seems to have turned the corner towards economic success. Lower unemployment and a great construction quarter also suggest that the county may be headed in the right direction.

expansion in manufacturing payrolls. This recession-sensitive industry has lost jobs nationally for years. Professional/scientific/technical services, higher education, and health care/social services also added a significant number of new positions.

Sanpete County hasn't eliminated all the soft spots in its job market, however. Construction, wholesale trade, retail trade, and company management services all lost employees.

Unemployment remains high. However, due to the seasonal nature of some local employment, Sanpete County's rate is typically higher than average. At 6.3 percent in August 2003, the rate has eased off the higher jobless levels of early 2003.

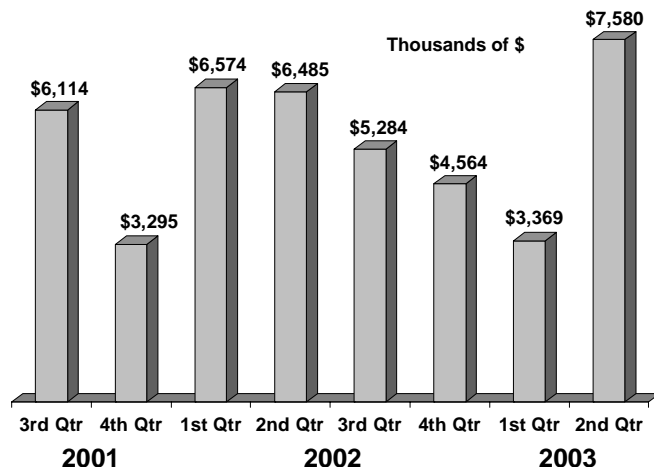
Currently, joblessness in Sanpete County measures slightly above the national average (6.1 percent) and significantly higher than the state figure of 5.1 percent.

Building Boom

Although Sanpete County's construction figures started 2003 with a whimper, by second quarter 2003 building permits were booming. In fact, total authorized values registered at the highest level in more than two years. Compared to second quarter 2002, values were up 17 percent.

Residential construction can take the "pat on the back" for this healthy performance. The number of homes approved rose by 28 percent. However, the value of those homes was up almost 60 percent. Half

Total Sanpete County Approved Construction Values



Source: Utah Bureau of Economic & Business Research.

of these permits were approved for construction outside of Sanpete County's major townships.

However, after a strong start in the first quarter of the year, nonresidential values dropped 32 percent.

Sales Modulate

The entry of WalMart into Sanpete County during 2001 helped to boost gross taxable sales dramatically. However, since that time, sales have shown no clear pattern. They're up one quarter only to decline the next. First quarter 2003, happened to be an "up" quarter. Between the first quarters of 2002 and 2003, sales rose by almost 2 percent.

The two largest sales sectors—retail trade and services—both saw sales levels hold steady. A burst of public expenditures and wholesale trade sales nudged the figures up somewhat.

Mixed Messages

Sanpete County's labor market seems to be back on track and on the road to recovery. The positive notes added by construction and sales also seem to suggest that the economy is headed in the right direction.

Lecia Parks Langston, Regional Economist
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Quick Facts

August 2003

Unemployment Rate

Sanpete County	6.3%
Utah	5.1%
U.S.	6.1%

Mar 2003 Change from Previous Year

Job Growth

Sanpete County	3.8%
Utah	-0.1%
U.S.	-0.3%

2nd Qtr 2003 Change from Previous Year

Construction Values

Sanpete County	16.9%
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1st Qtr 2003 Change from Previous Year

Sales

Sanpete County	1.4%
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Source: Utah Dept of Workforce Services,
Bureau of Labor Statistics,
Utah Tax Commission,
Bureau of Econ & Business Research.

For more economic information about Sanpete County see:
<http://jobs.utah.gov/wi/regions/county.asp>

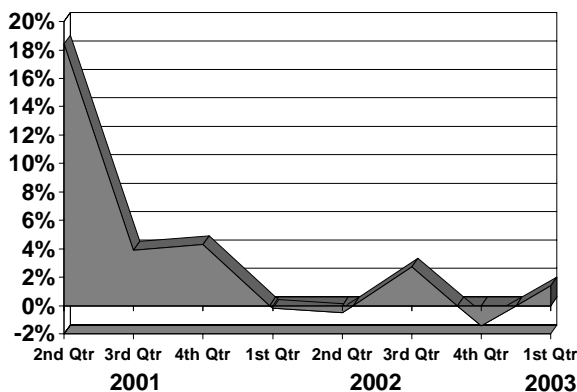
State of Utah

Utah Department of Workforce Services

140 East 300 South
PO Box 45249
Salt Lake City, UT 84145-0249

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Year-Over Change in Sanpete County Gross Taxable Sales



Source: Utah Tax Commission.

The mission of the Utah Department of Workforce Services is to provide quality, accessible, and comprehensive employment-related and supportive services responsive to the needs of employers, job seekers, and the community.

What's Up?

- North Pacific Group Inc., a Portland, Ore.-based building products manufacturing and distribution company, plans to close its North Pacific Composite plant in Gunnison, eliminating 45 jobs. The company acquired the plant in April 2002 in order to expand its product offerings.
- Up to 22 staff members may be added at the Central Utah Correctional Facility in Gunnison because of a rising state inmate count.

For more economic events, see:

<http://jobs.utah.gov/wi/Regions/western/sanpete/sanpeteeee.pdf>



03-13WSA-0903

Equal Opportunity Employment Program

Auxiliary aids and services are available upon request to individuals with disabilities. Call (801) 526-9240. Individuals with speech and/or hearing impairments may call the state relay at 1-800-346-4128

